

Network Strategy and Development

Executive Takeaway

Provider-led networks and health plans are emerging as credible alternatives to traditional carrier models. The panel highlighted that long-term success depends on balancing access, affordability, provider alignment, benefit design, and operational efficiency while creating measurable value for both employers and members.

Questions To Take Back To Your Organization

1. Is our current network strategy maximizing access and affordability?
 2. Are our benefit designs effectively driving desired member behavior?
 3. Where can we reduce provider administrative burden?
 4. Are our health system and health plan priorities aligned?
 5. What opportunities exist for direct-to-employer or provider-led network expansion?
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Key Considerations

1. Provider-Led Models Are Expanding

Both organizations are pursuing strategies that give health systems greater control over:

- Network design
- Contracting
- Cost management
- Member experience
- Employer relationships

Examples included direct-to-employer strategies, provider-owned health plans, and regional network expansion initiatives.

Takeaway: Health systems are increasingly looking beyond traditional carrier models to create competitive, employer-focused solutions.

2. Access Must Come First

The strongest consensus from the panel:

“Access is king.”

While steerage is important, members must have adequate access to providers and specialists.

- Promise uses a tiered model supported by a national network when needed.
- Centrus uses direct contracting to close network gaps and maintains a national wrap outside service areas.

Takeaway: Successful custom networks balance access and affordability rather than sacrificing one for the other.

Key Considerations (continued)

3. Benefit Design Drives Member Behavior

Network performance is heavily influenced by:

- Tiered networks
- Provider steerage
- Site-of-care strategies
- Financial incentives
- Employee education

Panelists emphasized that benefit design is often more powerful than network design alone when influencing utilization patterns.

Takeaway: The most effective strategies combine network design with incentives that encourage members to choose high-value providers.

4. Administrative Simplicity Creates Competitive Advantage

A major value proposition discussed was reducing administrative burden for providers.

Examples included:

- Faster claim payments
- Reduced provider friction
- Improved cash flow
- Simplified contracting models

Panelists noted that provider participation often improves when operations become easier and more predictable.

Takeaway: Administrative efficiency can be as influential as reimbursement rates when building provider partnerships.

5. Alignment Is Critical

Health plans, health systems, employers, and providers often have competing priorities.

Success depends on:

- Executive sponsorship
- Governance structures
- Consistent communication
- Shared strategic objectives

Panelists stressed the importance of aligning both timing and strategy between health plans and health system leadership.

Takeaway: Strong governance and stakeholder alignment are essential to sustainable network strategies.

In Summary

Access remains the foundation of network strategy.

Members must be able to access the right care when and where they need it.

Benefit design influences outcomes.

Steerage, incentives, and education are critical drivers of member behavior.

Provider experience matters.

Reducing administrative burden strengthens provider engagement and participation.

Alignment drives success.

Health plans and health systems must operate from a shared strategy and common goals.

Provider-led networks are gaining traction.

Direct-to-employer, custom networks, and provider-owned plans continue to expand into new markets.

Provider-owned health plans and custom networks are evolving from niche offerings into strategic market alternatives. The organizations most likely to succeed will combine access, high-value provider steerage, operational simplicity, and strong stakeholder alignment while delivering measurable value to employers and members.